

July 2014



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## Alaska State and County FSA Updates

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### Alaska FSA Offices

[www.fsa.usda.gov/ak](http://www.fsa.usda.gov/ak)

#### State Executive Director

Danny Consenstein

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Cell: 907-841-4890

Email:

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#### Northern County Office

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Delta Junction, AK 99737

#### County Executive

##### Director/Farm Loan Officer

Lloyd Wilhelm

907-895-4242 ext 150

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#### Southern County Office

800 W Evergreen, Ste 216

Palmer, AK 99645

### Alaska FSA State Director News - Reimbursement Transportation Cost Program (RTCP) Update

Alaska farmers make a big contribution to the economy, the health and the security of our communities. They provide jobs and healthy, local food for Alaskans. But our farmers face unique challenges. In addition to our northern climate, they experience high costs of fuel, equipment, materials, fertilizer and other inputs because of our location. The RTCP program helps level the playing field for our producers and provide more local food at competitive prices.

#### Alaskans Receive Payments for FY 2013 Transportation Costs

Last month, a diverse group of 166 Alaskan producers received a total of \$265,000 to help offset the high cost of farming in Alaska by participating in FSA's Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers (RTCP). Farmers, ranchers and growers from all across the state -- from Craig, to Bethel, to Kodiak and Manley Hot Springs -- received payments ranging up to a maximum of \$5,589. These farmers produced a wide range of livestock and crops, including hay, vegetables, oysters, dairy products, grain, and peonies.

**Get Ready to Apply for This Year's Transportation Reimbursement**

**County Executive Director**

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**Farm Loan Manager**

Jeff Curry  
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Email: [jeff.curry@ak.usda.gov](mailto:jeff.curry@ak.usda.gov)

Hours Monday-Friday  
8:00 a.m. - 4:30 p.m.

Committee Meetings:

Northern Co. check AK website  
Southern Co. check AK website

**Program!**

The 2014 Farm Bill reauthorized RTCP, which offsets a portion of the costs of transporting agricultural inputs and products over long distances. The program allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover any transportation costs.

I hope all Alaskan producers have been keeping track of their farm-related expenses over the past nine months. Costs associated with the production or transportation of an agricultural product may be eligible for partial reimbursement through RTCP. This year's program will cover costs incurred from October 1, 2013 through September 30, 2014 (Fiscal Year 2014). Sign-up for Fiscal Year 2014 will begin on **July 21, 2014**, and end on Sept. 8, 2014. Although applicants must file their RTCP application in an FSA office by Sept. 8, 2014, producers will have until Nov. 3, 2014 to provide supporting documentation of actual transportation costs to the FSA office.

For more information on the RTCP program, farmers and ranchers in the eligible areas can contact the Northern or Southern County Offices for further assistance or the Alaska website <http://www.fsa.usda.gov/ak>

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## COC Nomination Deadline

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from June 17, 2014 through August 1, 2014. The nomination form is available at the Northern and Southern County Offices and [online](#). For more information contact your local FSA office.

**2014 Election for the following Alaska LAAs****Southern County LAA-3**

**LAA-3** Matanuska Borough.

**Northern County LAA-2**

**LAA-2** Area beginning where the Clearwater road intersects the AK Hwy NE to north line of Southeast Fairbanks census area, proceeding NE to Canadian border, then SE following Canadian border, where the Alaska Gateway Regional Educational Attendance Area (AKGREAA) line intersects the Canadian border, turning NW following AKGREAA line to the AK Hwy, then proceed NW on AK Hwy to Clearwater road.

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## USDA's Farm Service Agency (FSA) Offers Farm Bill Website and Online Overview of Farm Bill Programs

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on Feb. 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit our Farm Bill website at [www.fsa.usda.gov/farmbill](http://www.fsa.usda.gov/farmbill) and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, [What's in the 2014 Farm Bill for Farm Service Agency Customers?](#)

For more information on FSA, please contact your local USDA Service Center or visit us online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## USDA Enhances Farm Storage Facility Loan Program

The U.S. Department of Agriculture (USDA) today announced the expansion of the Farm Storage and Facility Loan program, which provides low-interest financing to producers. The enhanced program includes 22 new categories of eligible equipment for fruit and vegetable producers.

Producers with small and mid-sized operations, and specialty crop fruit and vegetable growers, now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment. A new more flexible alternative is also provided for determining storage needs for fruit and vegetable producers, and waivers are available on a case-by-case basis for disaster assistance or insurance coverage if available products are not relevant or feasible for a particular producer.

Additionally, Farm Storage Facility Loan security requirements have been eased for loans up to \$100,000. Previously, all loans in excess of \$50,000 and any loan with little resale value required a promissory note/security agreement and additional security, such as a lien on real estate. Now loans up to \$50,000 can be secured by only a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer require additional security.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include grains, oilseeds, peanuts, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables. Qualified facilities include grain bins, hay barns and cold storage facilities for fruits and vegetables.

Contact your local FSA office or visit [www.fsa.usda.gov](http://www.fsa.usda.gov) for more about FSA programs and loans, including the Farm Storage Facility Loan Program.

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## Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual

qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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## Microloan Program

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals who are interested in applying for a microloan or would like to discuss other farm loan programs available should contact their local FSA office to set up an appointment with a loan official.

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## Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon.

**Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

**Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

**DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

**Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

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## USDA Announces the Extension of the Milk Income Loss Contract Program for 2014

The USDA Farm Service Agency (FSA) recently announced the extension of the Milk Income Loss Contract (MILC) program which protects dairy farmers against income loss through Sept. 1, 2014, or until a new Margin Protection Program for dairy producers (MPP) is operational. Contracts for eligible producers enrolled in MILC on or before Sept. 30, 2013, are automatically extended until the termination date of the MILC program. Dairy operations with approved MILC contracts will continue to receive monthly payments if a payment rate is in effect.

MILC compensates enrolled dairy producers when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt), after adjustment for the cost of dairy feed rations. MILC payments are calculated each month using the latest milk price and feed cost, just as in the 2008 Farm Bill. The payment rate for October 2013 through January 2014 marketings is zero. Payment rates during the months after January 2014 until the termination of the MILC program will be determined as the appropriate data becomes available.

FSA will provide producers with information on program requirements, updates and sign-ups as the information becomes available.

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## Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

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## Save Time - Make an Appointment with FSA

As we roll out the Farm Bill programs administered by FSA, there will be related signups and in some cases multiple management decisions that need to be made by you, the producer, in consult with FSA staff. To insure maximum use of your time and to insure that you are afforded our full attention to your important business needs, please call our office ahead of your visit to set an appointment and to discuss any records or documentation that you may need to have with you when you arrive for your appointment. For local FSA Service Center contact information, please visit: <http://offices.sc.egov.usda.gov/locator/app>.

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## July 15th 2014 Crop Certification/Reporting Deadline

Agricultural producers who have not yet filed their 2014 acreage/crop certification reports with their local FSA office are reminded that the July 15th deadline is fast approaching. To complete your 2014 certification, please contact your local county FSA office right away!

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).